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CENTRAL INTELLIGENCE AGENCY

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INFORMATION REPORT

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Wolfen

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SUBJECT

Production Difficulties at VEB Farbenfabrik

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- erence was convened on r Winkler, chief of the 2. In an effort to clarify the situation, 18 March 1955, which was also attended by Chemical Department and Deputy Minister of Heavy Industry. The labor force sharply criticized the 1955 production targets. Bitter controversy arose between Dr Nemitz (fnu), chief of the nitrogen department, and Dr Winkler. The latter finally had to make certain commitments, and contrary to earlier orders, promised payment of bonuses for the 4th quarter of 1954.
- 3. During the first quarter of 1955, absenteeism at the Ursol plant (dyest) and a rate of 70 percent. In an effort to the production targets, the work management this measure considerably improved the absenteeism factor and a 103-percent fulfilment was reached during the first quarter of the year. In early April, however, it was announced that the special bonus had been cancelled. The mich working between 5 and 6 April 1955, protested by starting the Some 30 to back to work to be some 30 to be some o back to work.

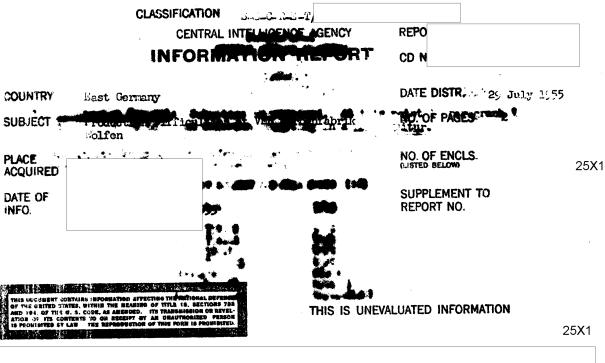
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1 held in custody on 22

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- At a conference of leading specialists of VEB Furbenfabrik Wolfen on 22 February 1955, it was disclosed that it would not be possible to fulfill the 1955 production targets. According to plant management and plantengineers, all machine installations were being everworked and breakdowns are to be expected. The planned increase in production capacity, therefore, seems out of the question. Only installations of new machines would help to raise the production level. The plant scientists stated that the so-called "intellectual reparations deliveries" have caused severe setbacks in the export program. For example, a preliminary contract concerning the delivery of 10 million eastmarks worth of inscribities to the USCR was reduced to a mere AOC,000 eastmarks since the USCR has meanwhile established its own production of insecticities on the basis of methods developed by Farbenfabrik Wolfen. Similar contracts with Rumania, Bulgaria, and Poland have likewise been cancelled.
- In an effort to clarify the situation, a plant conference was convened on a March 1955, which was also attended by Dr Werner Winkler, chief of the Chemical Department and Deputy Minister of Heavy Industry. The labor force sharply criticized the 1955 production targets. Bitter controversy arose between Dr Nemitz (fnu), chief of the nitrogen department, and Dr Winkler. The latter finally had to make certain commitments, and contrary to earlier orders, promised payment of bonuses for the 4th quarter of 1954.
- During the first quarter of 1955, absenteeism at the Ursol plant (dyestuffs for furs) reached a rate of 70 percent. In an effort to prevent nonfulfilment of the production targets, the work management promised a special bonus. This measure considerably improved the absenteeism factor and a 105-percent fulfilment was reached during the first quarter of the year. In early April, however, it was announced that the special bonus had been cancelled. The night shift working between 5 and 6 April 1955, protested by starting a sit-down strike. Some 30 work police were called in and forced the laborers to go back to work. Payment of the bonus was promised. Two of the agitators were arrested and were still held in custody on 22 April 1955.

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